ITEMIZATION OF EXPENDITURES A.R.S. Section 16-948 (C)

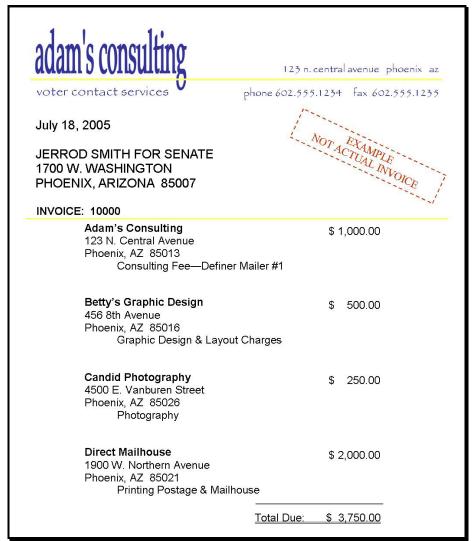
The Citizens Clean Elections Act ("Act") requires participating candidates to identify on their campaign finance reports the full name and street address of the person providing goods and services to the campaign, the nature of the goods and services and the compensation for which the payment has been made. A.R.S. § 16-948 (C).

It is common for committees to engage consultants or other vendors who provide full services and to then pay a lump sum to the consultant who then pays the subvendors. However, reports still must identify subvendors, the goods and services obtained, and the cost. This ensures compliance with the Act's requirements that all Clean Elections funds are used only for direct campaign purposes and that the candidate does not receive any in-kind contributions.

Example:

Jerrod Smith is running for Senate and hires Adam's Consulting as his campaign consultant. Adam's Consulting coordinates the production of a campaign mailer.

Invoice from consultant:



The Jerrod Smith campaign then pays Adam's Consulting \$3,750.00, as invoiced.

There are two Act-compliant options for reporting this expenditure on the campaign finance report:

Option #1:

	SCHEDULE D	
JANUARY 31 REPORT November 23,2004 to December 31,2005		1
Name and Address to whom expenditure was made ADAM'S CONSULTING	Date 07/20/2005	Amount \$3,750.00
123 N CENTRAL AVENUE PHOENIX, AZ 85013		***********
Consulting \$1000, Betty's Graphic \$500, Candid Photography \$250, Direct Mailhouse \$2000	TOTAL:	\$3,750.00

Option #2:

Expenditures for Operating Expenses JERROD SMITH FOR SENATE JANUARY 31 REPORT November 23,2004 to December 31,2005	SCHED	SCHEDULE D	
Name and Address to whom expenditure was made	Date	Amount	
ADAM'S CONSULTING 123 N CENTRAL AVENUE PHOENIX, AZ 85013 Consulting Fee - Definer Mailer #1	07/20/2005	\$1,000.00	
BETTY'S GRAPHIC DESIGN 456 8TH AVENUE PHOENIX, AZ 85016 Graphic Design & Layout (Paid by Adam's Consulting)	07/20/2005	\$500.00	
CANDID PHOTOGRAPHY 4500 E. VANBUREN STREET PHOENIX, AZ 85026 Photography (Paid by Adam's Consulting)	07/20/2005	\$250.00	
DIRECT MAILHOUSE 1900 W. NORTHERN AVENUE PHOENIX, AZ 85021 Printing, Postage & Mailhouse Fees (Paid by Adam's Consulting)	07/20/2005	\$2,000.00	
	TOTAL:	\$3,750.00	